



## **Commission Alert- Budget Resolution Bills Passed**

Greetings!

The U.S. House of Representatives and Senate both passed its respective budget resolution bills this week.

The House spending proposal includes \$1 billion in reconciliation instructions to the House Education and Labor Committee and proposes elimination of the FFELP. This instruction directs the authorizing committees to make legislative changes to meet the requirements set forth in the budget by September 30, 2009. It also shifts Pell Grants to the mandatory spending category, expands the Perkins Loan Program and creates a college access and completion fund.

The Senate proposal does not include reconciliation instructions to the Education Committee, nor does it move Pell Grants to the mandatory spending category as requested by the President. The bill does, however, allow for the maximum Pell Grant award to amount to \$5,550 for the 2010 school year. It also includes an amendment to preserve choice in federal student loan programs. This is good news for the FFELP community.

The Congressional budget resolutions will now move to a Conference Committee where negotiators will look to reconcile differences of the two bills. Lawmakers will next observe the Congressional Spring district work period from April 6-17. During this time we expect that pre-conference negotiations will take place on a few smaller differences of the bills, with larger negotiations to be dealt with once lawmakers return during the week of April 21.

We will provide you with more information as it becomes available.